

R & D:2

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NPIC/TSG-047-70

14 AUG 1970

MEMORANDUM FOR: Director, National Photographic Interpretation Center

SUBJECT : Request for Approval of Expenditure of Funds Amounting to [] from FY-1971 R&D Funds for Contract []

25X1
25X1
25X1

1. This memorandum requests approval for the commitment of funds from FY-1971 R&D funding for an existing contract. The specific request is stated in Paragraph 5.

2. In Fiscal Year 1970 (30 June 1970) NPIC contracted with [] for the fabrication of a prototype Scan and Search Photo Interpretation Station under subject contract for []. The original proposal estimate for the effort was quoted by the contractor as [] and FY-70 R&D funding was approved for that amount.

25X1

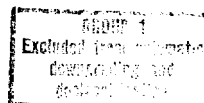
3. Just prior to contract negotiation on the subject contract, an audit of the contractor's facility was completed which verified an increase in his G&A and Overhead rates. However, since the project approval material was already in the approval cycle, and the end of the fiscal year was so close, it was deemed advisable to let it continue through the cycle at the [] funding level. During the contract negotiation, the contracting officer attempted to hold the contract price to the approved figure of [] but was unsuccessful, and the contract was negotiated at [] leaving a deficit of [].

25X1

4. [] is the project officer for this contract. [] has been assigned. Agency association is classified CONFIDENTIAL, but the work, title, and reports will be UNCLASSIFIED.

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Declass Review by NGA

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Amounting to [] from FY-1971 R&D Funds
for []

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5. It is requested that approval be granted to amend
the subject contract with [] by
increasing the contract funding in the amount of []
from Category IV FY-71 R&D funds.

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[]
Chief, Technical Services Group, NPIC

Attachment:
Form 2420

APPROVED: []

25X1

21 AUG 1970
Date

Captain, USN
Acting Director
National Photographic Interpretation Center

Distribution:

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